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Withhold Account Holders and Other Transferees*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

CELSIUS NETWORK LLC, *et al.*¹,

Debtors.

Chapter 11

Case No. 22-10964 (MG)

(Jointly Administered)

**Objection Deadline: March 1, 2023 at 4:00 p.m.
Hearing: March 8, 2023 at 11:00 a.m.**

**RENEWED OBJECTION OF THE AD HOC GROUP OF WITHHOLD
ACCOUNT HOLDERS AND OTHER TRANSFEREES TO THE DEBTORS'
SECOND MOTION FOR ENTRY OF AN ORDER (I) EXTENDING THE DEBTORS'
EXCLUSIVE PERIODS TO FILE A CHAPTER 11 PLAN AND SOLICIT
ACCEPTANCES THEREOF PURSUANT TO SECTION 1121
OF THE BANKRUPTCY CODE AND (II) GRANTING RELATED RELIEF**

The Ad Hoc Group of Withhold Account Holders and Other Transferees (the “Ad Hoc Group”), through its undersigned counsel, submits this renewed objection to the second motion of the above-captioned debtors-in-possession (the “Debtors”) for entry of an order further extending the exclusive periods during which only the Debtors may file and solicit acceptances of a chapter 11 plan (the “Second Exclusivity Motion”) [Docket No. 1940], and respectfully states as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

Having reviewed the Debtors' presentation regarding what their plan might eventually look like (assuming that many moving pieces fall into place—which, to date, they appear not to have done), the Ad Hoc Group continues to oppose any further extension of the Debtors' exclusive periods to file a plan or solicit acceptances thereof.

We are now more than seven months past the petition date. No plan is yet on file. No approvals from regulators have yet been obtained. The Debtors' and Committee's professionals continue to burn cash at a truly alarming rate.² ***The bleeding must stop.***

It is time to allow the Debtors' customers to propose their own plan for the assets that they were defrauded into investing with Celsius. The Debtors' exclusive right to control these cases must give way to the rights of the Debtors' customers. The Court should deny the Debtors' motion and modify exclusivity to permit the Official Committee of Unsecured Creditors, the Ad Hoc Group, or any other ad hoc committee represented by counsel in these cases to file and solicit acceptances of a plan of reorganization or liquidation.

The Ad Hoc Group further adopts and incorporates by reference the arguments, points and authorities raised in (i) *The Official Committee of Unsecured Creditors' Objection to the Debtors' Second Exclusivity Motion* [Docket No. 2011], except to the extent that the Committee seeks to exclude the Ad Hoc Group from proposing its own plan; (ii) the *Limited Objection to the Debtors' Second Motion to Extend Exclusivity Period for Filing a Chapter 11 Plan and Disclosure Statement* filed by the United States Trustee [Docket No. 2010]; and (iii) *Statement of Undersigned States with Respect to Motions for Extension and/or Modification of Exclusivity and Appointment of Trustee* [Docket No. 2043].

² The Debtors' and Committee's professionals billed the estates well over **\$73 million** in just the first five and half months of the case.

WHEREFORE, the Ad Hoc Group respectfully requests that this Court enter an order (i) modifying exclusivity from March 8, 2023 through and including April 28, 2023 to permit the Committee, the Ad Hoc Group, or any other ad hoc committee represented by counsel in these cases to propose a plan, with the exclusive time to solicit such plan(s) extended 60 days from filing; and (ii) granting such other relief as the Court deems appropriate.

Respectfully submitted,

Dated: March 1, 2023
New York, New York

/s/ Deborah Kovsky-Apap
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